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ABSTRACT

The use of many public school facilities now closed due to declining enrollment could generate substantial savings for new federal construction projects. Responses to a questionnaire sent to all 50 states by the General Accounting Office (GAO) show that there were 2,493 vacant schools in 19 of the 23 responding states at the beginning of the 1978-79 school year. Over one third of these were in good condition and located in areas making them suitable for continued use. Enrollment decline projected for the next five years will result in more school closings. While state and local authorities are not required to consider using vacant schools in lieu of new construction when requesting federal grants, use of these facilities is permitted when requirements are met. The GAO believes that consideration of the use of vacant buildings should be required of grantees requesting construction funds. (Author/PGD)

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REPORT BY THE

Comptroller General

OF THE UNITED STATES

Use Of Vacant Schools Could Provide Savings To Federal Construction Programs

Declining enrollments in public schools have left many schools vacant. A large number of these schools are in good condition and in locations making them potentially suitable for use in lieu of new construction for projects financed by Federal programs.

Because of the substantial cost savings that might be available through the use of vacant schools, GAO recommends that Federal agencies which provide grants for construction projects make sure that adequate consideration is given to the use of vacant schools before funds for new facilities are authorized.

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JANUARY 19, 1981

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-201514

The Honorable David A. Stockman
The Honorable James H. Scheuer
House of Representatives

We prepared this report in response to your letters concerning vacant schools and their potential use for other purposes. The report discusses the alternative uses for vacant school facilities, and legal or other barriers to their reuse. It also includes a recommendation to the Director, Office of Management and Budget, to strengthen assurances that States and localities give consideration to the use of vacant schools when requesting construction funds under Federal programs. The comments of the Office of Management and Budget have been incorporated in the report.

In accordance with your request, we are sending copies of this report to Congressmen Dale Kildee, Paul Simon, and Baltasar Corrada. As arranged with both offices, we plan no further distribution of this report until 15 days from its issue date. At that time we will send copies to interested parties and make copies available to others upon request.

Comptroller General
of the United States

COMPTROLLER GENERAL'S
REPORT TO THE
HONORABLE JAMES H. SCHEUER
HONORABLE DAVID A. STOCKMAN
HOUSE OF REPRESENTATIVES

USE OF VACANT SCHOOLS COULD PROVIDE SAVINGS TO FEDERAL CONSTRUCTION PROGRAMS

D I G E S T

Use of many public school facilities, which are closing their doors across the Nation because of declining enrollments, may be the source of substantial savings for new construction projects financed by the Federal Government. Responses to a questionnaire GAO sent to all 50 States and the District of Columbia show that, at the start of the 1978-79 school year, there were 2,493 vacant schools in 19 States. Well over one-third of them were in good condition and located in areas that made them suitable for continued use.

Student enrollment in public schools is expected to continue to decline, with 34 States projecting a net decrease in enrollment of some 2 million students over the next 5 years. This decrease in student population will force additional school closings. Alternative uses for these facilities, constructed initially at high cost to the American taxpayer, could be explored before additional Government funding is authorized for new construction projects. The cost effectiveness of exercising such options can be demonstrated in a single illustration. In this instance, a vacant school was used instead of constructing a new facility, requiring a Federal contribution of $1.08 million. A new facility would have cost the Government as much as $4.3 million. (See pp. 15 and 16.)

To obtain information on the potential that vacated schools hold for other purposes, GAO interviewed officials of four Federal

programs that provide grant-in-aid assistance for "brick-and-mortar" construction--projects that were funded at more than $5.8 billion in fiscal year 1979. (See pp. 14 and 15.) According to these officials, State and local authorities are not required to consider using vacant schools in lieu of new construction when requesting grant funds. However, they said that projects that included converting vacant schools may be funded under their programs as long as the projects meet the various Federal requirements.

Because there may be opportunities for substantial cost savings by using more vacant schools, GAO believes that an evaluation of the feasibility of using such schools should be required before construction funds are awarded to grantees. Also, since the opportunity spans many Federal programs, GAO believes there should be a Federal policy requiring Federal agencies with grant construction programs to consider using vacant schools in lieu of new construction. GAO has recommended action by the Director, Office of Management and Budget, which will accomplish these objectives. (See p. 18.)

AGENCY COMMENTS AND GAO EVALUATION

The Office of Management and Budget agreed the use of vacant schools could provide savings to Federal construction programs. However, the Office of Management and Budget does not believe that all Federal construction programs should require that vacant schools be considered in lieu of new construction because (1) some States and localities have legal restrictions on the use of vacant schools, (2) significant incentives, such as community pressure and local savings where matching fund programs are involved, already exist to promote the use of vacant schools, and (3) the paperwork and processing costs associated with such a uniform requirement would outweigh the potential benefits. (See p. 18.)

GAO recognizes that various legal barriers exist among States and localities regarding the use of vacant schools. However, most jurisdictions that cited such barriers were able to use vacant and underutilized schools for nonschool purposes. (See pp. 9 and 10.)

GAO also recognizes that some Federal programs provide incentives, such as matching fund requirements. However, others do not. Moreover, contrary to the Office of Management and Budget's contertion that community pressure provides an incentive to use vacant schools, States responding to GAO's questionnaire cited community pressure as a factor that limited their use of vacant schools. (See p. 9.)

Regarding paperwork and processing costs, GAO believes the recommendation could be accomplished by merely adding a checkoff block to the standard application form being used by Federal agencies that provide construction funds.

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ABBREVIATIONS

EDA	Economic Development Administration
GAO	General Accounting Office
HUD	Department of Housing and Urban Development
OMB	Office of Management and Budget
VA	Veterans Administration

CHAPTER 1

INTRODUCTION

On September 14, 1978, the House Select Committee on Population requested us to provide (1) an estimate of the number of currently unused schools that could be converted to alternative uses, (2) an assessment of the legal barriers to the sale, rental, or transfer of such property in the different States, (3) a list of the major Federal grant-in-aid programs that provide "brick-and-mortar" funding, and (4) some recommendations as to how the funding of needed accommodations can be reconciled with the availability of unused schools.

On March 31, 1979, the House voted to dissolve the Select Committee. Because of the need for this information to effectively make policy in the field of education, however, the former Chairman and a former Member of the Select Committee requested on April 4, 1979, that we continue our work and forward the results to their offices.

OBJECTIVES, SCOPE, AND METHODOLOGY

As agreed with Committee staff, our efforts related to items 1 and 2 above were restricted primarily to information obtained through the use of a questionnaire sent to each of the 50 States and the District of Columbia. Forty-one States and the District of Columbia responded to the questionnaire in full or in part.

To help us determine the extent to which vacant and underutilized schools could be used outside the school system and to identify any legal barriers to such use, we asked each of the 50 States and the District of Columbia to complete a questionnaire designed to provide information as of the beginning of school year 1978-79 on (1) vacant schools and (2) underutilized schools and vacant and seldom used classrooms. Also, the questionnaire sought to obtain the States' views on whether it would be worthwhile to require Federal agencies to consider the availability of vacant schools or classrooms before making grants for construction of nonschool facilities. (See app. I for a copy of the questionnaire.)

Our work on items 3 and 4 included (1) visits to two counties in Maryland and Virginia to obtain information on other uses made of vacant schools at the local level and (2) discussions with officials of certain Federal programs that appeared to offer the potential for savings through the use of vacant schools in lieu of new construction to determine the feasibility of such a program. Also, from the "1979 Catalog of Federal Domestic Assistance," we compiled a list of major Federal grant-in-aid programs that fund "brick-and-mortar" projects.

CHAPTER 2

MANY VACANT AND UNDERUTILIZED SCHOOLS HAVE POTENTIAL FOR OTHER USE

Information available on vacant and underutilized schools varied among the States. Some States indicated in their response that the requested information was not available. Other States provided most of the data sought by the questionnaire.

The responses to the questionnaire indicated that, as of the start of the 1978-79 school year, there were 2,493 vacant schools in 19 States. Well over one-third of these schools were in good condition and in suitable locations that potentially could be used for nonschool purposes. An almost equal number of vacant schools might, with major renovation, be made suitable for nonschool use. Some States reported that alternative uses were being made of vacant school space. A few vacant schools, although in good condition, were in locations not considered suitable for other uses. In addition, many schools were operating at less than their full capacity, and there may be potential in many States for using portions of these underutilized schools for nonschool purposes.

Certain legal or other barriers to the use of vacant schools were reported by about half the States, and about a third of the States reported such barriers for using underutilized schools for nonschool purposes. However, vacant and underutilized schools in some of these States have been used for nonschool purposes.

VACANT SCHOOLS

Six States (Florida, Illinois, Michigan, Missouri, New York, and Pennsylvania) and the District of Columbia reported that they routinely collect data on vacant schools. Seventeen other States developed vacancy information on the basis of estimates or special surveys. Of these 23 States and the District of Columbia, 4 States and the District of Columbia reported that they had no vacant schools. The number of reported vacant schools in the other 19 States totaled 2,493. Florida had the largest number of vacant schools with 800, and North Dakota had the fewest with 1.

Twenty-two States and the District of Columbia provided information on the total number of schools in their area and the number of vacant schools. (One State that provided information on vacant schools did not provide data on the total number of schools.) The average vacancy rate in these States was about 3 percent. The rate, however, ranged up to 8 percent. Information by States on vacancy rates and the distribution of vacant schools is shown in the following table.

States reporting number of schools and vacant schools	Number of schools	Number of vacant schools	Vacancy rate
			(percent)
Alabama	4,998	397	8
Arkansas	7,309	0	0
California	7,471	58	1
Delaware	180	12	7
District of Columbia	176	0	0
Florida	17,794	800	4
Idaho	724	0	0
Illinois	4,639	a/80	2
Iowa	1,800	25	1
Kentucky	1,500	8	1
Michigan	3,780	54	1
Missouri	3,422	185	5
New York	4,941	350	7
North Carolina	2,000	40	2
North Dakota	605	1	1
Pennsylvania	3,944	100	3
South Dakota	611	0	0
Tennessee	1,700	22	1
Texas	12,000	300	3
Utah	800	2	1
Washington	1,727	45	3
West Virginia	2,088	0	0
Wyoming	385	10	3
	84,595	b/2,489	3

a/Excludes information on vacant schools in the city of Chicago (information on Chicago not provided).

b/Oregon reported four vacant schools but did not provide data on the number of schools in the State. Therefore, data were excluded from our computation of vacancy rates.

MANY VACANT SCHOOLS IN GOOD CONDITION AND IN SUITABLE LOCATIONS

Eleven of the 41 States and the District of Columbia that responded to the questionnaire provided detailed information on the condition and location of vacant schools. According to questionnaire responses, about half of the 1,613 vacant schools in these States are in good condition and in suitable locations so that they have good potential for nonschool uses. Most of these schools are in Alabama, Florida, and Texas. The following table provides information received from the 11 States.

State	Total number of reported vacant schools	Vacant schools in good condition and a suitable location (note a)		Vacant schools needing major reconstruction for nonschool use		Vacant schools in location considered unsuitable for other use	
		Number	Percent	Number	Percent	Number	Percent
Alabama	397	200	50	183	46	14	4
Delaware	12	12	100	0	0	0	0
Florida	800	300	38	400	50	100	12
Iowa	25	12	48	13	52	0	0
North Carolina	40	15	38	20	50	5	12
North Dakota	1	0	0	0	0	1	100
Oregon	4	4	100	0	0	0	0
Tennessee	22	10	45	6	28	6	27
Texas	300	250	83	50	17	0	0
Utah	2	0	0	2	100	0	0
Wyoming	10	2	20	8	80	0	9
Total	1,613	805	50	682	42	126	8

a/States determined the adequacy of the school's condition and location. Schools classified as being in good condition were those without major structural or mechanical defects. The suitability of location was based on the subjective judgment of the States.

In addition to the 11 States that provided detailed information on the numbers of vacant schools in good condition and suitable locations, 6 States (California, Kentucky, Michigan, New York, Pennsylvania, and Washington) provided more general information indicating that many of their vacant schools were also in good condition and in suitable locations. Information for these States follows:

--New York: Most of its 350 vacant schools were in good condition, and 175 were in suitable locations for use for other purposes.

--Pennsylvania: 70 of its 100 vacant schools were in good condition, but State officials did not comment on their locations.

--California: Most of its 58 vacant schools were in good condition and in suitable locations.

--Michigan: Most of its 54 vacant schools were in good condition and in suitable locations.

--Washington: There are 45 vacant schools, 13 in good condition and 22 in a good location. (No information on condition or location was provided on the other 10 vacant schools).

--Kentucky: 3 of its 8 vacant schools were in good condition, but State officials did not comment on their locations.

USE OF VACANT SCHOOLS FOR OTHER PURPOSES

Although many schools were reported to be vacant and unused, 27 States and the District of Columbia reported using vacant schools for other purposes. As shown in the following table, the most common uses were for (1) administrative purposes (such as city or county agency offices and school district administrative and support services), (2) community services (such as a private day care and preschool center, a social service center, and a comprehensive care center), (3) storage, and (4) other educational programs (such as adult education, private schools, and community colleges).

Use	Number of States
Administrative	18
Community service	12
Storage	11
Other educational	10
Private development	7
Sale, rent, or lease to unspecified groups	5
Other	4

UNDERUTILIZATION OF OPERATING SCHOOLS

Tantamount to the problem of vacant schools is the incidence of underutilization. The expected continuation in the decline in student enrollment combined with opposition to school closures will likely aggravate this problem in the future.

As a means of quantifying the extent of underutilized schools, we asked States to provide us information on the number of (1) schools operating with 70 percent or less capacity, (2) unused classrooms, and (3) seldom used classrooms as of the beginning of the 1978-79 school year. Also, we requested their views on the potential use of underutilized schools for other purposes.

Only four States reported that they routinely collect information on unused classrooms in occupied elementary and secondary public schools. Fourteen States, however, provided information on at least one of the above three categories.

Schools with 70 percent or less capacity

Nine States reported that 1,326 schools were operating at 70 percent or less of their capacity. Idaho, Pennsylvania, and West Virginia reported the highest number of schools in this category. The following table summarizes the responses from the nine States.

		Size of school (number of classrooms)			
States	Number	Less than 6	6 to 15	16 to 25	Over 25
Delaware	18	-	-	12	6
Florida	70	-	10	60	-
Idaho	100	-	25	50	25
North Dakota	25	10	15	-	-
Pennsylvania	640	25	212	202	201
South Dakota	3	3	-	-	-
Utah	10	-	-	7	3
West Virginia	400	100	100	100	100
Wyoming	60	15	15	15	15
Total	1,326	153	377	446	350

In addition to the information received from the nine States, Illinois reported that 48 of its 1,116 school districts had enrollments less than 70 percent of capacity. Also, New York reported that, of its 760 school districts, 300 districts each had space for about 500 more students than were enrolled. A New York State Education official told us that the State tried to keep the number of students in each school district at about 1,500. On that basis, the 300 schools would be operating at about 67 percent of their student capacity.

Unused classrooms

Thirteen States reported that, at the beginning of school year 1978-79, 3,900 classrooms were unused. Three States--Illinois, Missouri, and Pennsylvania--each reported more than 500 unused classrooms. The number of unused classrooms ranged from 6 in Arkansas to 1,635 in Illinois--not including Chicago. (Information on Chicago was not provided.) Although New York did not provide information on classroom usage, it reported that space was available in operating elementary and secondary public schools in the State for 500,000 more students than were presently enrolled.

Seldom used classrooms

Seven States--Arkansas, Idaho, Kentucky, North Dakota, South Dakota, Utah, and Wyoming--provided information on seldom used classrooms, which were defined as those used only once or twice a day. These States reported 471 classrooms as being seldom used and said that 160 (or 34 percent) could be vacated through consolidation.

The largest numbers of seldom used classrooms were in Idaho, Kentucky, and South Dakota, which reported 150, 100, and 100, respectively. Idaho and Kentucky each reported that 50 classrooms could be vacated through consolidations.

POTENTIAL FOR USE OF UNDERUTILIZED SCHOOLS

Twenty-seven States reported information on the potential for additional use of underutilized schools in their States. Twenty-one (or 78 percent) reported that underutilized schools could be used jointly for school and nonschool purposes. Only Delaware, Kentucky, Mississippi, Rhode Island, Texas, and West Virginia reported no potential for other use in their States. Four of these six States reported 528 unused classrooms.

Where space in underutilized schools was used, the uses were similar to those made of vacant schools. For example, in Illinois some space in underutilized schools was used by other local government agencies, by colleges and nonpublic schools, and for providing nonprofit social services. In Pennsylvania some space was used for senior citizen functions. In Wyoming school space was used for a public library and a day care center.

LEGAL OR OTHER BARRIERS TO USE OF VACANT AND UNDERUTILIZED SCHOOLS

Thirty-four States and the District of Columbia provided information as to whether there were any legal or other barriers to using vacant schools for nonschool purposes, and 28 States provided similar information regarding underutilized schools. Thirteen States reported that there were no legal barriers to the use of either vacant or underutilized schools for other purposes. Two States and the District of Columbia reported no legal barriers to the use of vacant schools but did not respond as to whether there were legal barriers to other uses of underutilized schools. The other 19 States cited barriers, such as zoning laws and restrictions, on the use of schools for other than school purposes. However, in most of these 19 States, some vacant and underutilized schools were used for nonschool purposes.

In 12 States zoning laws limited the use of vacant or underutilized schools. Other factors cited by States which limited their use include:

--Restrictions that allow only nonprofit organizations to use the schools.

--A lack of legislative authority to dispose of vacant school buildings for other uses.

--Deeds that preclude their use for nonschool purposes.

--Need for a public referendum to authorize the sale of school property.

--Community opposition, lack of interest by public or private groups, and environmental considerations.

Although these barriers present a problem for particular uses, they have not, in most cases, prevented some use being made of vacant schools. For example, in one State--which cited barriers relating to zoning restrictions, environmental considerations, and community opposition--vacant schools have been put to various nonschool uses, such as senior citizen centers, nursing homes, and storage facilities. In addition, some vacant schools have been sold or leased to nonpublic schools.

Similarly, zoning restrictions and other barriers did not prevent a State from using vacant schools for administrative offices, special education centers, and other community services. In another State vacant schools were leased to private schools, used for storage, or leased to businesses. A third State, which reported that use of vacant schools was limited to nonprofit organizations, also indicated that there was a good possibility that this restriction would be removed by an action of the State legislature in the near future.

CHAPTER 3

DECLINING STUDENT POPULATION COULD RESULT IN ADDITIONAL VACANT SCHOOLS

The major cause of vacant schools has been declining school enrollments. The questionnaire responses indicate that declining school enrollments are expected to continue, which is expected to cause additional schools to become vacant or underutilized.

Thirty-four States provided information on expected student population changes over the next 5 years. Five States expect student enrollments to increase, and one State expects no change. However, 28 States reported that they expect enrollment to decline.

The expected declines ranged from less than 1 percent in North Carolina and Oregon to 15 percent in Florida, New York, and Oklahoma. Eight States--Delaware, Florida, Iowa, Massachusetts, Nebraska, New York, Oklahoma, and Pennsylvania--reported expected declines of 10 percent or more. Overall reported declines averaged 7 percent.

In the 34 States a net decrease in enrollment of about 2 million students is expected. New York's expected decline of 465,000 students is the largest, and New Hampshire's expected decline of 1,725 is the smallest.

The National Center for Education Statistics estimates that nationwide elementary and secondary school enrollment declined by 4.7 million students between 1970 and 1978 and will further decline by about 3 million by 1984. Actual and projected declines for 1970-84 represent a 15-percent drop in student population. While elementary school population declines are not expected after 1984, secondary school enrollments are expected to decrease steadily through the 1980s as the children born in the low birth rate years of the mid-1960s to the mid-1970s progress through the high schools.

PROJECTED SCHOOL CLOSURES OVER THE NEXT 5 YEARS

In addition to the 2,493 schools that were reported vacant in the 1978-79 school year, 17 States estimate that, during the next 5 years, they will close 1,228 schools. Most (1,050) of these projected closures were reported by California, Michigan, New York, and Pennsylvania. The projected closures by State are shown below.

States	Projected closures over next 5 years	1978-79 vacant schools	Total
Alabama	10	397	407
California	400	58	458
Delaware	5	12	17
Florida	18	800	818
Illinois	(a)	80	80
Iowa	25	25	50
Kentucky	30	8	38
Michigan	150	54	204
Missouri	(a)	185	185
New York	200	350	550
North Carolina	10	40	50
North Dakota	4	1	5
Oregon	(a)	4	4
Pennsylvania	300	100	400
Rhode Island	10	(b)	10
South Dakota	10	0	10
Tennessee	25	22	47
Texas	(a)	300	300
Utah	3	2	5
Washington	25	45	70
Wyoming	3	10	13
Total	1,228	2,493	3,721

a/Information on projected closures was not reported.

b/Number of vacant schools not reported.

The relationship between enrollment declines and projected school closures varied by States. In some cases, States estimating a relatively small decline in enrollment project a large number of closures. For example, California

estimated that, by the beginning of the 1983-84 school year, total enrollments would decline about 40,000, but it projected 400 school closures.

Conversely, some States estimating large enrollment declines expect to close only a small number of schools. Florida, for example, despite an estimated decline of 230,000 in its student population expects to close only 18 schools.

Some States cited an increasing community opposition to school closures. This could partly explain the seemingly disproportionate correlation between the number of projected school closures and the estimated projected declines in enrollments. The situations in the State of New York and the city of Buffalo are illustrative.

The questionnaire response from New York showed that, at the beginning of school year 1978-79, there were (1) 500,000 fewer students than could be accommodated by classroom space in the State and (2) an expected additional decrease of 465,000 students in the next 5 years. The questionnaire also contained a statement, however, that the State would "be lucky" to close 200 schools even though they needed to close 1,000.

Also, a New York State Education official told us that Buffalo had planned to close 16 schools but closed only 4 because of community opposition to the closings. He said that, even if all 16 were closed, there would still be excess space in the Buffalo school system to accommodate 10,000 additional students.

CHAPTER 4

USE OF VACANT SCHOOLS IN LIEU OF CONSTRUCTING NEW FACILITIES SHOULD BE CONSIDERED

According to the Catalog of Federal Domestic Assistance, 24 Federal grant programs in fiscal year 1979 were authorized to provide funding for "brick-and-mortar" construction projects. Funding authorizations for these programs totaled over $5.8 billion. (See app. II for a list of programs and authorized funding.)

Not all programs have awarded grant funds for construction, and we were not able to readily determine the types of projects funded by all the programs that did award grants. We noted, however, that seven of the programs provided funds for a wide range of construction projects, including social service centers, health centers, libraries, low-rent housing, police stations, vocational education training schools, recreation facilities, dining facilities, small infirmaries, laundry facilities, classrooms, hospitals, nursing care homes, and day care facilities. (The seven programs are identified with an asterisk in app. II.)

We interviewed officials of four of the seven programs. The four programs were selected on the basis of size and availability of program data. According to officials we interviewed, some grant programs have, in certain cases, financed renovations of vacant schools for nonschool activities in lieu of constructing new facilities. In these cases, the cost for renovation was substantially less than the estimated cost to construct new facilities. However, the Federal agencies responsible for administering the four programs do not require State and local jurisdictions that request funding for new construction to routinely consider the feasibility of renovating available vacant schools to meet their needs. Such a requirement could increase the opportunities for making effective use of vacant schools and result in significant savings to the Federal Government.

POTENTIAL SAVINGS BY USING VACANT SCHOOLS

The four programs we obtained additional information on through interviews with program officals are described below. Fiscal year 1979 construction funding under these programs totaled over $858 million.

--Grants to States for Construction of State Home Facilities: The Veterans Administration (VA) administers this program, which provides funds for (1) construction of new domiciliary or nursing home buildings and (2) the expansion, remodeling, or alteration of existing buildings to provide domiciliary, nursing home, or hospital care.

--Public Works Impact Projects: The Economic Development Administration (EDA) administers this program, which provides funds to construct public facilities in order to provide jobs to the unemployed and underemployed.

--Vocational Education--Basic Grants to States: The Department of Education administers this program, which provides funds for constructing area vocational education school facilities.

--Community Development Block Grants: The Department of Housing and Urban Development (HUD) administers this program, which provides funds to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, primarily for persons of low and moderate income.

Our interviews with officials of the four programs were directed toward obtaining information concerning program requirements for considering the use of vacant schools or other buildings in lieu of new construction. According to these program officials, construction projects, including the conversion of vacant schools, that meet Federal requirements may be funded under these programs. However, State and local authorities are not required to examine the possibility of using vacant schools in lieu of new construction. The Federal program officials said that using vacant schools could result in substantial savings to the programs. Program officials believed that vacant schools, in some cases, could be used without major reconstruction.

In cases where vacant schools had been substituted for new construction, substantial cost savings have been realized. VA officials told us that Arkansas converted a vacant school into a 146-bed domiciliary for veterans at a cost of $1.66 million. VA's contribution to the project, according to one agency official, was $1.08 million. This official said that VA was using a $40,000-to-$45,000-per-bed cost when it estimated the construction cost of new facilities. On this basis, the cost to construct the domiciliary could have been as much as $6.6 million, with the Government's share being about $4.3 million. VA officials stated that most elementary schools are too small to be converted or renovated for VA domiciliary and nursing homes, but larger schools may be suitable for VA and State use.

A Department of Education Vocational Education program official told us that the costs of constructing vocational education facilities are currently ranging between $7 and $8 million. Because of soaring costs, program funding has shifted from new construction projects to "add-ons" and renovation projects costing from $700,000 to $2 million--a difference of at least $5 to $6 million per project over new construction costs.

While Vocational Education officials did not believe conversion of all vacant schools built before 1950 would be cost effective because of high costs to correct deficiencies, such as electrical systems for machine shops and other heavy-duty equipment, they thought that reusing such buildings for various classroom training programs would be feasible. For the newer vacant schools, they believed there were numerous opportunities for reuse in the Vocational Education program. One Vocational Education official indicated that there might be some objection to the use of old buildings because it might adversely reflect on the program. He believed, however, that a quality program would overcome this difficulty.

Community Development Block Grant program officials stated that the use of vacant school buildings in this program could save costs. However, they believed that requiring them to be used where it is feasible to do so could adversely affect the program's intent, which is basically to allow communities a more positive and direct involvement in determining their own needs, without "Federal controls and redtape." We noted, however, that the recently passed Housing and Community Development Act of 1980 (Public Law 96-399) amended various sections of the 1974 Housing

and Community Development Act, in particular section 105(a)(4), to permit local governments to renovate closed schools with the use of Federal funds from the Community Development Block Grant program.

EDA provided funds to South Carolina to convert two vacant schools into a multipurpose community center and a human service center. In addition, EDA's Public Works Grant Projects program provided funding in fiscal year 1978 to 39 States and territories for 111 construction projects, including a multipurpose building, community center, recreation center, police station, library, county office building, vocational skill center, and warehouse. According to questionnaire responses, many vacant schools were available for alternative use in several States that received EDA construction funds. However, according to the EDA program official we interviewed, vacant schools were not considered as an alternative to constructing new facilities.

The officials of the four programs we interviewed believe that the responsibility of screening new construction against vacant school inventories should rest with the States or the local governments since they must make the final decision on where the project is to be located and whether to construct new facilities or renovate existing ones.

Officials of the Vocational Education and VA programs believe that matching fund requirements in their programs provide an incentive to State and local officials to use vacant schools when possible. The Vocational Education program has a 50-50 matching fund requirement while, under VA's Grants to States for Construction of State Home Facilities program, the Federal Government contributes 65 percent to the project and the State contributes 35 percent.

Officials of the EDA and HUD programs believe that State and local authorities should consider the use of vacant schools before requesting new construction funds because of the possible savings to both the Federal and State governments.

Because there may be opportunities for substantial cost savings by using more vacant schools in lieu of new construction, we believe that an evaluation of the feasibility of using such schools should be required before construction funds are awarded to grantees. Also, since the opportunity spans many Federal programs, we believe there should be a Federal policy requiring Federal agencies with grant construction programs to consider the use of vacant schools in lieu of new construction.

RECOMMENDATION

We recommend that the Director, Office of Management and Budget (OMB), require Federal agencies that provide grants for construction projects to make sure that adequate consideration is given to the use of vacant schools before funds for constructing new facilities are authorized.

AGENCY COMMENTS AND OUR EVALUATION

OMB agreed that the use of vacant schools could provide savings to Federal construction programs. OMB, however, does not believe it would be appropriate to mandate that all Federal construction programs contain within the application process a uniform requirement that existing vacant schools have been considered in lieu of new construction because:

--"statutory and other legal restrictions today exist in various states in varying degrees, creating a patchwork quilt of differences among various states and localities.

--"there already exist significant incentives that promote the use of vacant schools, including community pressure and local savings where matching fund programs are involved; and

--"the paperwork and processing costs associated with the additional uniform requirement outweigh, in our view, the potential benefits that might be gained in some programs and in certain locations."

We recognize, as discussed on pages 9 and 10, that various legal barriers exist among States and localities regarding the use of vacant schools. However, as noted earlier, most of the jurisdictions that cited such barriers were able to use vacant and underutilized schools for non-school purposes.

We also recognize that some Federal programs provide incentives such as matching fund requirements. However, other construction programs such as those administered by EDA and HUD do not provide similar incentives. (See p. 17.) Moreover, contrary to OMB's contention that community pressure provides an incentive to use vacant schools, States responding to our questionnaire cited community pressure as a factor that limited their use of vacant schools. (See p. 9.)

With regard to paperwork and processing costs, we believe our recommendation could be accomplished efficiently and economically by adding a checkoff block to the standard application form which is already in use by Federal agencies that provide construction funds.

APPENDIX I

U.S. GENERAL ACCOUNTING OFFICE
SURVEY OF UNUSED PUBLIC
SCHOOL BUILDINGS AND CLASSROOMS

INSTRUCTIONS:

The purpose of this questionnaire is to help us determine the extent to which vacant and underutilized public school buildings could be used outside the school system and to identify any legal barriers to such use in the 50 states. We recognize that some States may not collect such information related to all school districts in their state and, accordingly, have asked for your best estimate in such cases.

The questionnaire is divided into three parts. Part I relates to unused public school buildings in your state, Part II relates to underutilized school buildings and vacant classrooms, and Part III is general. We encourage you to contact the school districts in your state to obtain this information only if the requested information would also serve a useful purpose within your State's education agency.

If you have any questions related to the questionnaire, please call Mr. Bobby Hoover at (202) 245-9623.

UNUSED PUBLIC SCHOOL BUILDINGS

1. Does your State routinely collect information related to vacant public school buildings in your State? (Check one.)

☐ Yes

☐ No

NOTE: If "yes", please answer the following questions using the information contained in your system. If "no" please provide your best estimates as answers to questions 2-15.

2. At the beginning of school year 1978-79, how many public elementary and secondary (K-12) school buildings were there in your State? (Include only those buildings which are used for direct educational purposes omitting such buildings as maintenance and utility facilities)

_____(number of school buildings)

3. At the beginning of school year 1978-79 how many vacant public elementary and secdary (K-12) school buildings were there in your State? (Do not include once vacant buildings which are planned for future school use or buildings which have been scheduled for demolition for such reasons as safety.)

_____(number of vacant school buildings)

4. Of the total number of vacant school buildings in question 3, how many are in good enough condition that they could be used for non-school purposes without major reconstruction? (That is, they have no major structural or mechanical defects requiring capital improvements)

_____(number in good condition)

5. How many of the vacant school buildings in 4 above are located where they could be used for other public or commercial use?

_____(number in usuable location)

6. During the past 2 calendar years (1977-1978), how many school buildings in your State have been sold, rented, leased, or otherwise transferred for other public or commercial use?

_____(number sold)

_____(number rented)

_____(number leased)

_____(number otherwise transferred)

_____(TOTAL)

7. How many of the school buildings in good condition (#5 above) are presently planned for sale, rent, lease, or other transfer for alternate public or commerical use.

_____(number to be sold)

_____(number to be rented)

_____(number to be leased)

_____(number to be otherwise transferred)

_____(TOTAL)

APPENDIX I

8. What are the three most common alternative uses of school buildings in your State? (Please list)

   1. _____
   2. _____
   3. _____

9. Please list any type of school building reuse (planned or actual) which you consider innovative or unique and which might benefit other States considering the problem of vacant elementary and secondary public school buildings.

   1. _____
   2. _____

10. Are there legal or other barriers to the sale, rental, lease, or other transfer of vacant elementary or secondary public school buildings for other public or commercial use in your State? (Check one.)

    ☐ Yes

    ☐ No -- If "No", skip to question 12.

11. Which of the following are barriers to the sale, rental, lease, or other transfer of vacant elementary or secondary public school buildings in your State? (Check all that apply.) Please use the space provided below to give further details available on legal barriers.

    ☐ Zoning restrictions

    ☐ Environmental considerations

    ☐ Lack of interest by public or private groups

    ☐ Community opposition

    ☐ Other (Please specify) _____

    _____

    Details on legal barriers: _____

    _____

    _____

12. How many students are currently enrolled in elementary and secondary (K-12) public schools in your State?

    _____(number of students enrolled)

13. Over the next 5 years, what change, if any, do you anticipate in the number of students enrolled in elementary and secondary public schools in your State? (Check one and fill in the blank space.)

    ☐ An increase of about _____ percent

    ☐ No change

    ☐ A decrease of about _____ percent

14. Based upon your projected enrollment levels, do you expect any elementary or secondary (K-12) public schools to close in your State during the next 5 years? (Check one.)

    ☐ Yes

    ☐ No -- If "No" skip to question 16

15. How many elementary and secondary public schools do you expect to close during the next 5 years?

    _____(number of closures)

UNUSED CLASSROOMS

16. Does your State routinely collect information related to unused classrooms located in operating elementary and secondary public school buildings in your State? (Check one.)

    ☐ Yes

    ☐ No

    NOTE: If "yes", please answer the following questions using the information contained in your system. If "no", please provide your best estimate as answers to questions 17-29 or contact the school districts.

17. At the beginning of school year 1978-79, how many elementary and secondary public schools (K-12) in your State had enrollments of 70 percent or less of school capacity?

    _____(number of schools with enrollment of 70 percent or less of capacity)

APPENDIX I

18. Please distribute the number of schools indicated in 17 above based upon the number of classrooms in each school.

Number of Classrooms	Number of Schools
Less than 6	_____
6 - 15	_____
16 - 25	_____
Over 25	_____

19. At the beginning of school year 1978-79, how many unused classrooms were there in operating elementary and secondary (K-12) public schools in your State?

_____(number of unused classrooms)

20. Within some States/schools districts, some classrooms are being used by other public or commercial organizations. This sharing unused space has been referred to as "joint use" of school facilities. Does the potential exist for "joint use" of school facilities in your State? (Check one.)

☐ Yes

☐ No — If "No" skip to question 26.

21. How many of the unused classrooms mentioned in question 19 offer the potential for "joint use"?

_____(number of unused classrooms with potential for "joint use")

22. During the past 2 calendar years (1977-1978), how many classrooms in your State have been rented, leased, or otherwise transferred for other public or commercial use.

_____(number rented)

_____(number leased)

_____(number otherwise transferred)

_____(TOTAL)

23. How many of the classrooms in question 21 above are presently planned for rental, lease, or other transfer for alternate public or commercial use?

_____(number to be rented)

_____(number to be leased)

_____(number to be otherwise transferred)

_____(TOTAL)

24. What are the three most common alternative uses of vacant classrooms in your State? (Please list).

1. _____

2. _____

3. _____

25. Please list any type of classroom reuse (planned or actual) which you consider innovative or unique and which might benefit other States considering the problem of unused classrooms in elementary and secondary public school buildings.

1. _____

2. _____

26. Are there legal or other barriers to the rental, lease, or other transfer of unused classrooms located in elementary and secondary public school buildings in your State?

☐ Yes

☐ No — If "No", skip to question 28

27. Which of the following are barriers to the rental, lease or other transfer of unused classrooms located in elementary and secondary public school buildings in your State? (Check all that apply). Please use the space provided below to give any further details available on legal barriers.

☐ Zoning restrictions

☐ Environmental considerations

☐ Lack of interest by public or private groups

☐ Community opposition

☐ Other (Please specify _____

_____

Details on legal barriers:_____

_____

_____

APPENDIX I

28. At the beginning of school year 1978-1979, how many seldom used classrooms (classrooms used only once or twice a day) were there?

_____(number of seldom used classrooms)

29. How many of the classrooms in question 28 could be vacated through consolidation?

_____(number that could be vacated)

GENERAL

30. In your opinion, would it be substantially worthwhile to require Federal agencies to consider the availability of vacant schools or classrooms before making grants for construction of non-school facilities which might utilize the vacant school space? (Check one).

Provide explanatory comments if possible.

☐ Definitely yes

☐ Probably yes

☐ Undecided

☐ Probably no

☐ Definitely no

Explanatory comments:_____

_____

_____

_____

31. Do you know of any situations in which Federal funds were used for new construction when available vacant school facilities could have been used instead?

☐ Yes — If "yes" provide details

☐ No

Details:_____

_____

_____

32. If you have any additional comments on any of the questions or related topics not covered by the questions, please provide your comments in the space below. Your views are greatly appreciated. Thank you!

APPENDIX II

FEDERAL GRANT PROGRAMS THAT PROVIDE FUNDS FOR "BRICK-AND-MORTAR" PROJECTS

	Fiscal year 1979 grant program funds
1. Farm Labor Housing Loans and Grants*	$ a/33,000,000
2. Industrial Development Grants*	a/10,000,000
3. Economic Development--Grants and Loans	
4. Economic Development--Public Works*	228,500,000
5. Grants to States for Supplemental and Basic Funding of Titles I, II, III, IV, and IX activities	a/20,000,000
6. Military Construction, Army National Guard*	a/52,000,000
7. Handicapped Innovative Programs	a/16,000,000
8. School Assistance in Federally Affected Areas	a/59,000,000
9. Vocational Education--Basic Grants to States*	a/430,671,966
10. Rehabilitation Services and Facilities--Basic Support	817,484,000
11. Rehabilitation Services and Facilities	32,028,000
12. Developmental Disabilities	33,058,000
13. Community Development Block Grant/Entitlement	
14. Community Development Block Grant/Discretionary*	3,161,229,000
15. The Urban Mass Transportation Capital and Operating Assistance Formula Grants	a/850,000,000
16. Appalachian Supplement to Federal Grant-In-Aid	a/54,980,487
17. Appalachian Vocational and Other Education Facilities and Operations	a/20,100,000
18. Coastal Plains Supplements to Federal Grant-In-Aid	a/4,307,000
19. Four Corners Supplements to Federal Grant-In-Aid	a/4,414,457
20. New England Supplements to Federal Grant-In-Aid	(b)
21. Ozarks Supplements to Federal Grant-In-Aid	8,353,000
22. Upper Great Lakes Supplements to Federal Grant-In-Aid	4,470,808
23. Grants to States For Construction of State Nursing Home Care Facilities*	a/12,834,000
24. Old West Supplements to Federal Grant-In-Aid	a/2,443,960
Total	$5,854,874,678

a/Estimated.

b/Not identified.

*The "1979 Catalog of Federal Domestic Assistance" did not show the percentage of program funds spent for construction activities. For six of the seven programs we identified as providing funds for construction projects, however, we found that the percentage of program funds used for construction purposes averaged about 23 percent. These seven programs are identified by an asterisk.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

November 7, 1980

Mr. Gregory J. Ahart
Director
Human Resources Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Ahart:

Thank you for your request for comments on the draft GAO report entitled "Use of Vacant Schools Could Provide Savings to Federal Construction Programs."

The report includes much useful and interesting information, and the conclusion stated in the title of the draft report is undoubtedly true. In fact, because of the potential savings involved in rehabilitating existing vacant schools, it is becoming quite common to convert them to other uses. Some of those uses are spelled out on page 8 of the draft report.

We do not, however, believe it appropriate to mandate that all federal construction programs contain within the application process a uniform requirement that existing vacant schools have been considered in lieu of new construction. It seems to us that such a uniform policy would be inappropriate because:

- statutory and other legal restrictions today exist in various states in varying degrees, creating a patchwork quilt of differences among various states and localities;
- there already exist significant incentives that promote the use of vacant schools, including community pressure and local savings where matching fund programs are involved; and
- the paperwork and processing costs associated with the additional uniform requirement outweigh, in our view, the potential benefits that might be gained in some programs and in certain locations.

We would be pleased to aid in disseminating the information contained in the report to state and local governments if the report were recast as an information document. In any event, we appreciate the opportunity to comment on the draft report.

Sincerely,

Wayne G. Granquist
Associate Director for
Management and Regulatory Policy

(104111)